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November 23, 2012

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

**Re: In the Matter of Wavecom Solutions Corporation, Transferor and  
Hawaiian Telcom, Inc., Transferee; Application for Consent to Transfer  
Control of Domestic Authorizations Under Section 214 of the  
Communications Act, as Amended, WC Docket No. 12-206**

Dear Ms. Dortch:

On November 20, 2012, Steven Golden and Daniel Masutomi (by telephone) of Hawaiian Telcom, Inc. (“HTI”), Jeremy Amen and Ross Marlin (both by telephone) of Wavecom Solutions Corporation (“Wavecom”) (together “Applicants”), Bennett Ross of Wiley Rein LLP and I met with Neil Dellar, Bill Dever, David Krech, Jodie May, Joel Rubin, and Christopher Sova of the FCC to discuss the above-captioned matter.

During that meeting, Applicants indicated that the proposed transaction was in the public interest because it will enable a more resilient and modern communications infrastructure that will benefit the Applicants and their customers. What is more, the transaction will cause no harm to competition because Wavecom is a relatively minor player in the market, and facilities-based competitors will continue to serve Hawaii after the transaction closes.

No one has raised significant issues in the docket. In a joint filing made before the Hawaii Public Utility Commission (“HPUC”) last week, HTI has agreed with the Hawaii consumer advocate that HTI will meet certain reporting and facility access obligations, which it expects will be imposed by the HPUC as a condition of its approval of the proposed transaction. HTI expects that the consumer advocate will report such agreement to the Commission in the very near future.

For services relevant to the transaction, the FCC evaluates competition in the international transport market, here in the Pacific region. *See* Joint Reply Comments of Applicants, WC Docket No. 12-206, at 3-12 (filed September 19, 2012) (“Joint Reply”). Even if the FCC were to evaluate separately the intrastate backhaul market between the islands of Hawaii and Oahu, there will remain three

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facilities-based undersea cable providers, in addition to the combined entity, which will constrain the combined entity from engaging in any anticompetitive behavior. *Id.*, at 6-10. These providers actually provide services to carriers and other customers, *id.* & Masutomi Declaration, which has not been countered by any evidence in the record. The existing undersea cable providers have substantial capacity to address any facilities needs by carriers and other customers in Hawaii. *Id.*, Masutomi Declaration. The routes served by these providers is detailed in a map, which was provided at the meeting, and is attached to this letter. In addition, notwithstanding any allegations to the contrary, additional backhaul providers could enter the Hawaii market easily and quickly, which further constrains any anticompetitive behavior. Letter from Nancy J. Victory & Gregory J. Vogt, WC Docket No. 12-206 (filed Oct. 24, 2012).

Commission precedent precludes considering the allegations of L'Office des postes et télécommunications de Polynésie française ("OPT"), because its dispute with Wavecom concerning the Landing Party Agreement predated, and is therefore irrelevant to, the transaction, and is more appropriately handled in the context of private arbitration or a complaint proceeding. Joint Reply at 12-16. OPT is filing comments in this proceeding in order to give it leverage in its private negotiations concerning the Agreement. OPT cannot use the fact that it elected to land its cable at Wavecom's landing station in Kawaihae to bootstrap itself into an argument that the combined entity's undersea cable facilities constitutes a monopoly or bottleneck. An appropriate antitrust analysis must look at the entire array of competitive choices that were available at the outset as well as the choices that would be available now to other customers that could prevent the combined entity from exerting market power or engaging in competitive behavior. OPT purposely entered into the Agreement because landing at Kawaihae was substantially cheaper than alternatives; it could have chosen to land at Oahu at the outset, but chose to avoid this more expensive option. The FCC should not take action in this proceeding to address this competitive choice.

In any event, Wavecom is providing backhaul to Oahu to OPT at prices that are competitive with other providers on the mainland. Both Wavecom's undersea cable, and the associated cable landing station at Kawaihae, are offered on a common carrier basis. If OPT believes that Wavecom is violating Title II, it is free to bring a complaint at the FCC regarding such issue.

The Applicants also explained the competitive alternatives that existed in the small number of buildings where both Wavecom and HTI have facilities.

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Part of the reason that the transaction is in the public interest is due to the precarious nature of Wavecom's finances. The transaction will address these serious financial difficulties, allowing Wavecom's customers to continue to receive service.

Sincerely,

*/s/ Gregory J. Vogt*

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Gregory J. Vogt  
Counsel for Hawaiian Telcom Inc.

Enclosure

cc: Neil Dellar  
Bill Dever  
David Krech  
Jodie May  
Joel Rubin  
Christopher Sova

